

# Information Technology Project Request

## Special Project Report Executive Approval Transmittal



### Department Name

State Controller's Office

### Project Title (maximum of 75 characters)

Unclaimed Property System Replacement Project

### Project Acronym

UPSR

### FSR Project ID

0840-73

### FSR Approval Date

### Department Priority

3

### Agency Priority

## APPROVAL SIGNATURES

I am submitting the attached Special Project Report (SPR) in support of our request for the Office of the State Chief Information Officer's approval to continue development and implementation of the Unclaimed Property System Replacement (UPSR) Project.

I certify that the SPR was prepared in accordance with the State Administrative Manual Sections 4945-4945.2 and that the proposed project changes are consistent with our information management strategy as expressed in our current Agency Information Management Strategy (AIMS).

I have reviewed and agree with the information in the attached SPR.

### Chief Information Officer

### Date Signed

*Jan Ross*

Printed name:

Jan Ross

3.24.09

### Budget Officer

### Date Signed

*Tom Yowell*

Printed name:

Tom Yowell

3-24-09

### Chief Operating Officer

### Date Signed

*Michael Carter*

Printed name:

Michael Carter

3/25/09

### Agency Secretary

### Date Signed

Printed name:

## **2.0 IT PROJECT SUMMARY PACKAGE**

See Information Technology Project Summary Package, Attachment A

## **3.0 PROPOSED PROJECT CHANGE**

This SPR reflects proposed changes in the project schedule and costs. It does not result in a request for additional funding. All additional costs are covered through a redirection of one-time and continuing savings.

### **3.1 Project Background/Summary**

On March 30, 2006, the State Controller's Office (SCO) received Department of Finance's approval of a Feasibility Study Report to replace the outdated Unclaimed Property Systems with a commercial off-the-shelf (COTS) system.

On November 15, 2006, the SCO contracted with ACS Wagers to install the UPS2000 COTS system, design and install the required customizations, and convert current databases into a single/integrated system. On November 21, 2006, the SCO contracted with Informatix, Inc. to provide Independent Verification & Validation (IV&V) consultant services for the project.

On January 25, 2007, the SCO submitted a Special Project Report (SPR #1) which was subsequently approved by DOF on March 29, 2007. SPR #1 reflected a schedule impact of more than ten percent due to the extended time needed to negotiate the contract with ACS Wagers and obtain NCB approval, cost impacts due to the addition of IV&V consulting services, and unanticipated equipment and network costs.

On June 19, 2007, the SCO submitted a second SPR which was approved by DOF on June 22, 2007. SPR #2 requested additional vendor contract services and project staffing due to the additional work and functionality needed to implement the provisions of Senate Bill (SB) 86, which was enacted to comply with a federal court injunction issued on June 1, 2007. The injunction prevented the SCO from accepting unclaimed property remittances from holders (businesses) until the SCO adopted legislative or regulatory changes to notify property owners, prior to the transfer of the property to the SCO, that their property is subject to being escheated to the SCO. These changes were substantial, as the new requirements depart from the uniform unclaimed property laws in place throughout the states. Therefore, the changes required customized development for California as the new functionality was not a part of the UPS2000 COTS system. The mandated changes also necessitated extensive analysis and coordination with ACS Wagers to determine the most feasible business and system design approach to ensure that all requirements of SB 86 were effectively met and that the new customized system components could be successfully integrated with the COTS UPS2000 System.

### **3.2 Project Status**

Significant progress has been made on the project. All hardware and server software have been procured and installed, the contract with ACS Wagers was amended to address the additional functional requirements related to SB 86,

and the following implementation phases are completed:

- Phase 1: To comply with the requirements of SB 86, the CA Notice System was implemented on 11/9/07. This custom system allowed for the processing of Notice Reports received from holders of unclaimed property to capture the information necessary to generate pre-escheat notices to property owners.
- Phase 2-A: Implemented on 1/14/08. Provided functionality for mailing pre-escheat owner notices. The owner notice process is intended to inform property owners that their property has been reported to the SCO and will be transferred if not claimed by the owner within a specified timeframe. Through September 2008, over 860,000 pre-escheat owner notices have been mailed.
- Phase 2-B: Implemented on 2/4/08. Provided functionality for cross-matching owner account information with the FTB's SSN database to obtain the most current owner address for mailing pre-escheat notices.
- Phase 2-C: Implemented on 1/31/08. Allowed for the extract of owner account information for posting on the SCO public website. This enables owners to search and locate their property on the website and contact the holder before the property is transferred to the SCO.
- Phase 3: Implemented on 4/14/08. Added functionality to send reminder notices to holders to inform them of the due date for sending Remit reports and property remittances to the SCO.
- Phase 4: Implemented on 7/15/08. Included the installation of the UPS2000 COTS system, the majority of system customizations, and the conversion of the mainframe legacy system and the majority of stand-alone databases.

Current/pending activities:

The final implementation phase (Phase 5) is currently underway. Phase 5 will include the conversion of the remaining stand-alone databases and the development and implementation of remaining system customizations. The system functionality to be developed and installed in Phase 5 includes the following key items:

- Sale of securities and safekeeping properties
- Generating post-escheat owner notices
- Processing estate properties/claims
- CCP Section 1577 interest assessments/billings
- CCP Section 1532 penalty assessments

### **3.3 Reason for Proposed Change**

At the time that SPR #2 was submitted, which reflected the additional project scope and costs related to SB 86, the full impact on the overall project schedule was not known. Due to the extensive requirement analyses and system customizations needed to ensure full compliance with SB 86, it was not possible to accurately predict the impact to the project schedule at that time.

However, as summarized above, the majority of customizations required for SB 86 and the core COTS UPS2000 System are now in production, and work has begun on the final project phase. Additionally, now that the UPD program has experienced a full production cycle of receiving and processing Notice and Remit reports and generating pre-escheat owner notices, there is a better understanding as to the actual staffing impact related to SB 86. This SPR (#3) provides the proposed schedule revision, which deviates from the previously approved schedule by more than ten percent; the resulting changes to costs and resources; and the unanticipated impacts of SB 86.

This SPR also addresses the cost impacts resulting from a necessary change in network architecture. The approved FSR proposed that the UPSR Project technical platform be hosted at the Department of Technology Services (DTS) Data Center. After subsequent analysis, this was deemed to not be the best solution for the UPS2000 application, as the application was designed to be deployed on a local area network instead of the wide area network available from DTS. A variety of technical options were considered and the most cost effective and reliable solution resulted in the production application residing at SCO with a separate server hosted at DTS for business continuity. This SPR includes the resulting SCO IT support requirements related to the architecture change, the resulting savings in DTS, and proposes a redirection of savings to cover the net additional costs.

### **3.4 Proposed Project Change**

This SPR includes the following changes in one-time project costs, continuing project costs and project savings.

#### **One-Time Project Costs:**

Changes to one-time project costs are as follows:

- A deferral of some contract expenditures from FY 06/07 to FY 07/08 and from 07/08 to 08/09, due to the changes in the implementation schedule
- Unanticipated additional one-time costs (detailed below) for hardware and contract services
- An additional redirection of project staffing in FY 07/08 and FY 08/09 to cover the extended system implementation schedule
- Adjustments to salaries and benefits to reflect the 3.4% general salary increase, effective 7/1/07, and a benefit rate decrease (from 35.24% to 34.814%), effective 6/1/07

#### **Contract Costs:**

The attached Economic Analysis Worksheet (EAW) detail includes a shifting of vendor (ACS Wagers) costs for software licenses and software customization. Also included is an additional \$135,500 in contract costs, which was required for the contract amendment for ACS Wagers to design and install the system customizations needed to meet SB 86 requirements for the pre-escheat owner notice process. The original cost estimate for this customization was \$250,000, and BCP funding has already been provided for this amount. However, in the BCP it was noted that further detail would be needed to more

accurately determine the extent of the scope of work required and the actual amount needed for the contract amendment. After development of the scope of work and functional requirements, it was determined that a total of \$385,500 would be needed to fully implement the new functionality. The additional amount of \$135,500 is included in this SPR and is covered by a redirection of one-time savings, which will be explained later in this section. With the addition of the \$135,500 above, the actual and projected expenditures for the ACS Wagers contract are as follows:

	<b>FY 06/07</b>	<b>FY 07/08</b>	<b>FY 08/09</b>	<b>Total</b>
Software Purchase/Lic.			\$365,000	<b>\$365,500</b>
Software Customization	\$109,312	\$454,636	\$781,552	<b>\$1,345,500</b>
<b>Total</b>	<b>\$109,312</b>	<b>\$454,636</b>	<b>\$1,146,552</b>	<b>\$1,710,500</b>

In addition to the above, the SPR includes the following contract changes:

- An additional \$72,931 in FY 08/09 to amend the IV&V contract to cover the additional project schedule and scope resulting from the federal injunction and SB 86 requirements
- An additional \$10,000 for vendor services (Anacomp, Inc.) to convert the Paid Purge file from a microfiche format to an electronic format. This file is an essential tool for verifying paid information on old accounts

Other OE&E:

Other additional one-time OE&E costs are as follows:

- Encryption Software: To satisfy the security requirements of encrypting database backup files, a purchase of encryption software was necessary at a cost of \$3,840.
- Audit Software and Server: Additional database security is needed to ensure appropriate controls and audit trails of System Administrator activities and to prevent unauthorized access. The purchase of audit software will mitigate data security risk. The cost for the software and a server is \$28,474.
- Bar Code Equipment: This SPR includes \$23,982 for additional bar-code scanners and printers needed for the additional staff hired to meet SB 86 requirements. This equipment will be used in the various program areas to track incoming correspondence, claims and reports. This equipment is an integral part of the overall solution.

The total amount of the additional OE&E costs above is \$274,727. This amount is partially offset by one-time project savings for data center services (-\$132,792), and other OE&E line item savings of -\$65,102. The balance needed to cover the net additional one-time project OE&E costs (\$76,833) will be funded from an internal redirection of one-time savings.

**Project Staffing:**

As a result of the extended implementation schedule, the SPR includes an additional internal redirection of staff to the project. The redirected costs are \$98,318 (0.8 PY) in FY 07/08 and \$621,393 (7.2 PY) in 08/09. The total of 8.0 additional redirections is comprised of 6.1 program PYs and 1.9 IT PYs. The redirection will result in workload impact; however, the SCO will attempt to mitigate the impact to the extent possible. The redirection of 1.9 IT PYs will temporarily impact ISD's ability to support the various UPD program areas. To mitigate this impact, UPD is prioritizing items requiring IT support and deferring items that do not require immediate attention.

**Continuing Project Costs:**

The following changes to continuing project costs are included in this SPR:

- An increase in ongoing vendor costs for maintenance and support of the new system
- Costs for server hardware and software refresh
- Costs to maintain the old legacy system in retrieve/read mode for a limited time period after production implementation of the new system
- A reduction in ongoing costs for data center services
- An increase in ongoing IT support costs

**Vendor Costs for Maintenance and Support:**

The FSR included \$150,000 annually for vendor maintenance and support. Costs for the first year (post-implementation) were included in the original contract amount. Maintenance/support costs for the second year and beyond will be billed based on specific contract terms, which take into consideration the number of system users at that time. The FSR cost assumption was based on an estimate of 150 system users; however, as a result of SB 86 and a review of the number of users requiring licenses, the annual amount required for maintenance/support (as shown below) will be higher than the \$150,000 stated in the FSR and prior SPRs. The major components of the UPS2000 system went into production on July 15, 2008. Therefore, the maintenance/support costs will be billed beginning in August 2009. This SPR includes the following projected amounts for maintenance/support of the UPS2000 System:

- FY 09/10 \$143,750 (adjusted down to reflect the delayed implementation of Phase 5 components)
- FY 10/11 \$195,235 (adjusted based on current user count)

This SPR also includes maintenance/support costs for the CA Notice System, which was developed and installed in November 2007 to meet the pre-escheat owner notice requirements of SB 86.

This fully-customized functionality was addressed in the amendment to the original ACS Wagers contract; however, the maintenance/support costs related to this system were not known when the SB 86 BCP was submitted and, therefore, not included in the BCP or in SPR #2. Consequently, the following amounts are included in this SPR for maintenance/support of the CA Notice System and will be covered through a redirection of savings, which is addressed later in this document:

- FY 08/09 \$78,706 (billing to begin in December 2008)
- FY 09/10 \$138,467
- FY 10/11 \$144,698

Server Hardware/Software Refresh:

As a result of the network architecture changes described in Section 3.3 above, three of the four application servers previously slated to be hosted at DTS are now being hosted at two SCO sites: White Rock Road and C Street. The fourth server is located at DTS. This SPR includes the following continuing costs for SCO server refresh and DTS support of the principle failover server. The net impact of these costs are factored into the savings/redirection summary later in this document:

	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11</b>
Server hardware refresh	\$7,116	\$7,116	\$7,116
Software refresh	1,214	1,214	1,214
DTS support	26,570	26,570	26,570
<b>Total</b>	<b>\$34,900</b>	<b>\$34,900</b>	<b>\$34,900</b>

Legacy System Maintenance:

The FSR did not address the need for maintaining the UPSM legacy system for a limited term beyond implementation of the new UPS2000 system, which is needed to provide inquiry capability, data validation and overall risk mitigation. Prior to cut-over to the new UPS2000 system in July 2008, the annual costs associated with the UPSM legacy system was \$166,014. On July 15, 2008, UPSM was placed into retrieve/read mode and is expected to remain available to users in this mode through December 2009. The estimated annual cost to maintain UPSM in retrieve/read mode is as follows:

	<b>FY 08/09</b>	<b>FY 09/10</b>
Based on 11.5 months in 08/09 and six months in 09/10	\$38,678	\$20,180

Data Center Services:

The prior SPR included an estimated cost of \$177,392 for continuing data center services. Due to the network architecture change, the cost estimate has been reduced to \$26,570. The resulting savings of \$150,822 will partially offset other new continuing costs (server refresh and maintenance/support) described above.

**IT Support Costs:**

The prior SPR included a total of 5.0 continuing IT support positions. This included one position for on-site UPD support and four ISD positions providing a variety of support functions which are described later in this section. A recent analysis has concluded that the actual staffing needed to adequately meet UPD's ongoing IT support requirements is a total of 5.5 PYs, an increase of .5 PYs from the previous projection. This increase is primarily due to the change in network architecture, which resulted in a savings in DTS support costs but placed additional staff support requirements on SCO. In addition to the .5 PY increase, it was also determined that additional limited-term staffing of 1.7 PYs in FY 08/09 and 0.7 PY in 09/10 would be needed to provide maintenance support and continuing conversion activities for the legacy (UPSM) system, which will remain active in retrieve/read mode through December 2009. This limited-term support need was not addressed in the FSR or prior SPRs.

The following table provides a summary of these changes, which would be covered through a redirection of savings:

	<b>FY 08/09</b>	<b>FY 09/10</b>	<b>FY 10/11 &amp; Ongoing</b>
<b>Continuing Costs per last SPR:</b>			
UPD Sys. Admin. (Cont. IT Project)	1.0	1.0	1.0
ISD (Cont. Existing)	4.0	4.0	4.0
<b>Total</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>
<b>Revised Continuing Costs:</b>			
UPD Sys. Admin. (Cont. IT Project)	1.0	1.0	1.0
ISD (Cont. IT Project, Perm PYs)	2.9	3.5	3.5
ISD (Cont. IT Project, LT)	1.7	0.7	
ISD (Cont. Existing)	1.0	1.0	1.0
<b>* Revised Total</b>	<b>* 6.6</b>	<b>6.2</b>	<b>5.5</b>
<b>** Difference (additional resource need)</b>	<b>1.6</b>	<b>1.2</b>	<b>.5</b>

Following is a description of the specific functions performed by ISD staff in support of the UPD program:

**Legacy System Maintenance:**

As previously stated, the FSR did not address the need for maintaining the UPSM legacy system for a limited term beyond implementation of the new UPS2000 system. The SCO plans to maintain the legacy system through 12/31/09. During this time, IT staff support will perform the following functions:

- Application Support - Provide post conversion support; develop conversion programs to retrieve any additional legacy system data; develop a plan and strategy for legacy system retirement, including schedule and activities management; coordinate with IDMS database administrators and DTS to retire the application; archive and create a process for retrieval of data;



assist with the publication of the annual CD Rom process; and provide assistance with the Reportable Interest (1099) process, including procedure manual and training.

- Database Support - Modify the database so that areas can only be accessed in retrieval mode, and collaborate with DTS's Database Administrators and ISD data dictionary support staff to sunset the legacy system and remove security rights and roles associated with the database. In addition, the IDMS software version in use today for the legacy mainframe system must be upgraded so that all systems using this software are using the same version when the IDMS maintenance support for the current version sunsets.

This SPR includes the following limited-term support costs for the legacy system maintenance functions above:

- FY 08/09 - 1.70 PY (LT) and \$149,581  
Includes 1.00 PY (Senior Programmer/Analyst) for application support; 0.45 PY (Information System Technician) to secure, transport and extract data; and .25 PY (Senior Programmer Analyst) for database support.
- FY 09/10 - 0.74 PY (LT) and \$61,970  
Includes 0.50 PY for application support and system retirement; .24 PY to secure, transport and extract data.

Production Data Guidance (Technical Services Bureau), 0.35 PY

The annual maintenance of the UPS2000 System requires ongoing support of .35 PY at the Information Systems Technician level. This position provides maintenance and operations support specific to processing claim payment and unclaimed property data exchange information. Additionally, this position performs the following key functions: Scheduling and monitoring batch processing of data exchange back to UPS2000 servers; troubleshooting and documentation of issues; creation, design and documentation of a claim payment operational recovery plan; creation and distribution of interface log to fiscal system; analysis, restructure, or modifications of storage media for optimal usage and data throughput; respond and resolve all processing problems affecting claims payment system production; receive, test and release program/JCL changes; and create and maintain all claims payment JCL.

Network Architecture support (Technical Support Section), 2.60 PYs

As a result of the Federal Court Injunction and SB 86, UPD received an additional 86 PY's in BCP funding to support the additional workload. To accommodate the additional staff, a new facility and network infrastructure were established. The positions identified below provide ongoing support of the network infrastructure at the new facility and the corresponding increase of 86 desktops for UPD staff:

- Maintenance and support of the network architecture is provided by 1.60 PYs at the System Software Specialist I level. These staff perform functions necessary to support software release management, FTP support, installation and configuration of routers and switches, Windows 2003 and other network servers, troubleshooting equipment problems and working with vendors to rectify problems, monitoring and providing analysis on network architecture

performance, providing Crystal Reports support, providing support to SCO remote sites, monitoring server performance, making recommendations on equipment upgrades, managing and maintaining data archival storage and backup tapes, providing data restores, providing support for LAN computer workstations, and installing patches and security updates.

- In the section's Customer Service Center, 1.0 PY at the System Software Specialist I level provides troubleshooting and timely problem resolution on all support tickets; assistance to Division Contacts on all desktop support issues; testing of desktop hardware and software; maintenance, support and release management for SCO desktop and laptop images; research and analysis of all proposed hardware and software; technical report writing on policies and procedures and issues pertaining to the technical problem resolution events; and planning/implementing of safeguards to secure electronic data and patch updates on all UPD workstations.

#### Application Support Services (Business Services Bureau), 0.50 PY

Application support for the Unclaimed Property Web Inquiry System is provided by .50 PY at the Staff Programmer Analyst level. This position supports and maintains the weekly web extract, weekly claim capture and weekly claim inquiry processes; modifies the application to implement changes; assists with the testing and release of application changes; and supports program requests for removal of specific properties from the web and the publication of any data not converted that is eligible to be claimed from the legacy application.

#### Database Support (Technical Administration and Data Management Section), 1.0 PY

The annual maintenance of the UPS2000 system requires the ongoing support of 1.0 PY at the Staff Information Systems Analyst (Specialist) level. This position performs maintenance and operations functions specific to SQL software database services and servers housing unclaimed property data. The position supports the Unclaimed Property Inquiry System, hosted on SCO's website, which uses data from the UPS2000 system to provide property information to potential owners of unclaimed property. As a result of the network architecture changes, three of the four application servers previously slated to be hosted at DTS are now being hosted at two SCO sites: White Rock Road and C Street. The fourth server resides at DTS. Consequently, the responsibility for database hardware and software administration shifted from DTS to SCO's ISD SQL database staff, which resulted in new workload for SQL Database Administrators because the legacy mainframe uses IDMS as its database.

#### Adjustment to Savings:

This SPR includes adjustments to prior savings estimates, due to the network architecture changes discussed above, which resulted in a decrease in DTS transaction costs and an increase in SCO/IT support costs; the extended project implementation schedule; and adjustments to program efficiency and workload assumptions.

UPD Program Savings

The FSR included the assumption that program efficiency savings would begin one year after implementation. In SPR #1, the savings projection was adjusted to reflect the 4.5 month delay in starting the project. Since the core UPS2000 System has now been in production for more than four months, UPD has revisited the original FSR savings assumptions and compared those assumptions with actual workloads, processes and staffing requirements. From this analysis, it was determined that the original savings projections should be revised to more accurately reflect true staffing needs. The following chart shows the original FSR program savings projections, an analysis summary for each impacted area, and the resulting revised savings projection:

Impacted Area	FSR Svgs	Current Analysis	Revised Savings		
			09/10	10/11	11/12
Automated/ streamlined reconciliation process	1.00	The UPS2000 System provides a more streamlined process for reconciling reported and remitted securities. However, due to extensive conversion clean-up required to reconcile receipts on sold securities, as well as the need to fully reconcile all security issues prior to selling (in accordance with new statutory requirements), the anticipated PY savings is not expected to be realized until approximately FY 13/14.	0.00	0.00	0.00

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Impacted Area	FSR Svgs	Current Analysis	Revised Savings		
Automated processing of EFT transactions	0.11	EFT transactions are now automatically imported into UPS2000. Implemented in July '08. Savings to start in July '09.	0.11	0.11	0.11
Automation of CAP & complex claims	2.00	Fast-track (CAP) functionality will be added in Phase 5 and is expected to be implemented by 3/31/09. PY savings should start on 4/1/10 (3 months in 09/10).	0.50	2.00	2.00
Streamlining remittance processing	0.50	Under UPS2000, it is no longer necessary to prepare a Remittance Detail (ACC 28) for each remittance. Instead, a Crystal report provides the necessary information. However, there are no other significant efficiencies that would translate to PY savings. Estimated savings related to the ACC 28 is 0.1 PY.	0.10	0.10	0.10
Reduced time needed to answer questions & perform research	2.00	Through Oct. 6, 2008, there has not been a significant improvement in the unit time for handling in-coming calls; however, since the UPS2000 system does provide better access to accurate account information, it is assumed that the previously estimated PY savings figure is reasonable.	2.00	2.00	2.00
Reduction in manually generated letters	1.17	The UPS2000 impact in this area is division-wide and difficult to measure. The system provides the ability to mass-generate letters. It also automatically records and retains information pertaining to correspondence mailed to claimants and holders, which allow staff to more easily respond to claimant/holder inquiries. The estimated savings of 1.17 PYs appears to be achievable.	1.17	1.17	1.17
Process of extracting individual properties from holder reports	0.10	The estimated savings are expected to be realized.	0.10	0.10	0.10
Reductions in reformatting reports, updating RTS, preparing work orders	1.23	Actual savings are expected to be higher than the initial estimate.	2.50	2.50	2.50
Reduction in time to process securities claims (1 PY in Yr 2, add'l PY in Yr 3)	0.00 1.00 2.00	Due to the new statutory requirement to maintain securities in "unsold" status until 18 to 20 months after receipt, additional staff resources must be allocated to post dividend and corporate actions to those securities. All dividends and corporate actions related to stocks and mutual funds must now be posted for all property accounts, not just accounts with pending claims. The UPS2000 efficiencies in the securities area are expected to be offset by the additional work required to properly maintain these accounts prior to sale.	0.00	0.00	0.00
<b>Year 1 Savings</b>	<b>8.1</b>		<b>6.48</b>		
<b>Year 2 Savings</b>	<b>9.1</b>			<b>7.98</b>	
<b>Year 3 Savings</b>	<b>10.1</b>				<b>7.98</b>

In addition to the adjustments above, the UPD program has experienced additional workload impacts resulting from SB 86 requirements. The magnitude of these workloads was not anticipated at the time that SPR #2 was developed. In order to meet the mandated deadline for implementing the owner notice functionality, SPR #2 was submitted based on the best available estimate of the degree and scope of SB 86 workload/staffing impacts. The following chart summarizes the additional, unanticipated workloads related to SB 86:

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Impacted Area	Current Analysis	Staffing Need		
		09/10	10/11	11/12
Additional work related to CCP 1577 interest assessments & billings	<p>SB 86 created an additional reporting requirement for holders. To enable SCO to generate pre-escheat notices to property owners, holders are now required to submit a Notice report each year. Consequently, the following staffing impacts are anticipated:</p> <ul style="list-style-type: none"> <li>- Additional complexity in understanding and explaining 1577 assessments, which are now applicable to late Notice reports, as well as Remit reports</li> <li>- Additional complexity in calculating and applying adjustments to billings</li> <li>- Additional requests for interest waiver and the analysis required to determine validity of requests</li> </ul>	1.00	1.00	1.00
Returned mail	<p>The SB 86 requirement to send pre-escheat owner notices has resulted in a substantial increase in the number of returned mail items. These items must be manually processed by staff (sorted, scanned and boxed) to properly record the fact that they were returned by the Post Office. Items that are returned, with a forwarding address provided by the P.O., must be addressed and re-mailed, and the new address must be entered into the system. The annual volume of returned pre-escheat notices is approximately 320,000. Of these, approximately 7,000 are manually processed for re-mailing. The staffing impact is estimated at 0.2 PYs in the Accounting Unit and 0.6 PY in the Research Unit.</p>	0.80	0.80	0.80
Sale of securities	<p>SB 86 imposed additional requirements related to the sale of securities. The SCO must ensure that:</p> <ul style="list-style-type: none"> <li>- Securities are sold between 18 to 20 months after receipt,</li> <li>- There are no pending claims against properties that are subject to being sold, and</li> <li>- Owners have been notified and given adequate time to claim their securities prior to sale.</li> </ul> <p>Due to these new requirements, the Accounting Unit must perform more extensive analysis and validation prior to selling securities.</p>	1.00	1.00	1.00
Early remittances	<p>SB 86 requires holders to submit Notice reports seven months prior to remitting properties to the SCO. In cases where a holder sends a remittance without first submitting a Notice report, the SCO must return the remittance back to the holder and process the Remit report as a Notice report. This process is further complicated in cases where some remitted properties were previously reported and some (on the same Remit report) were not. Security properties remitted early require additional special handling, as SCO must first verify that all relevant corporate actions have been appropriately applied prior to returning the security remittance back to the holder. The staffing impact for this unanticipated workload is 2.0 PYs. The affected program areas are Reporting, Claims and Accounting.</p>	2.00	2.00	2.00
<b>Total Additional SB 86 PY Need</b>		<b>4.80</b>	<b>4.80</b>	<b>4.80</b>

Subtotal (revised program savings):

09/10	10/11	11/12
1.7	3.2	3.2

**Savings Summary**

The following chart provides a summary of the total projected savings, which includes the revised program savings above and the net anticipated IT savings. The chart also shows the amount of savings that needs to be redirected to cover increased continuing IT costs and the balance of savings available after factoring in the savings that have already been taken from the department's baseline budget. These figures are reflected in the attached Economic Analysis Worksheets:

	FY 08/09		FY 09/10		FY 10/11	
	PYs	Dollars	PYs	Dollars	PYs	Dollars
Program Savings			1.7	\$105,899	3.2	\$194,192
IT Savings	3.2	166,000	7.2	758,286	7.2	758,286
DTS Savings		194,420		212,918		233,098
<b>Total projected savings</b>	<b>3.2</b>	<b>\$360,420</b>	<b>8.9</b>	<b>\$1,077,103</b>	<b>10.4</b>	<b>\$1,185,576</b>
Savings redirected to Continuing IT Costs		-99,420	-3.1	-592,582	-2.3	-560,876
<b>Balance</b>	<b>3.2</b>	<b>\$261,000</b>	<b>5.8</b>	<b>\$484,521</b>	<b>8.1</b>	<b>\$624,700</b>
Savings already taken	-3.2	-261,000	-3.2	-261,000	-3.2	-261,000
<b>Balance of savings available</b>	<b>-</b>	<b>-</b>	<b>2.6</b>	<b>\$223,521</b>	<b>4.9</b>	<b>\$363,700</b>

**Feasible Alternatives Considered**

There are no other feasible alternatives.

**Implementation Plan**

The project implementation plan has been updated to reflect the revised project schedule and project phasing.

**4.0 UPDATED PROJECT MANAGEMENT PLAN**

**4.1 Project Manager Qualifications**

There is no change in the Project Manager Qualifications.

**4.2 Project Management Methodology**

There is no change in the Project Management Methodology.

**4.3 Project Organization**

There is no change in the Project Organization.

#### 4.4 Project Priorities

In order to meet the pre-escheat owner notice requirements and complete the necessary system customizations prior to the start of the 2007 holder reporting cycle, it was necessary to defer the implementation of lower priority system functionality until Phase 5 of the project. The revised project schedule includes this change.

#### 4.5 Project Plan

##### 4.5.1 Project Scope

There is no change in Project Scope.

##### 4.5.2 Project Assumptions

With the exception of the network architecture change and adjustments to projected savings, the project assumptions are consistent with the approved FSR.

##### 4.5.3 Project Phasing

To meet the requirements of SB 86 for generating owner notices and processing unclaimed property remittances, the Project was split into five phases. The final project phase (Phase 5) will include the design, development and implementation of the remaining system customizations and conversion of the remaining stand-alone databases that were not critical for the July 2008 implementation. Additional time for monitoring and support of the system (post-implementation) has been added to the project schedule.

##### 4.5.4 Project Roles and Responsibilities

There is no change in Project Roles and Responsibilities.

#### 4.5.5 Project Schedule

Following is a high-level schedule for the remaining system customizations and conversion:

<b>Milestone</b>	<b>Begin Target Date</b>	<b>End Target Date</b>	<b>Duration (Months)</b>
<b>UPS2000 Priority "A" and "B" Customizations and Conversions</b>	<b>10/8/08</b>	<b>1/30/09</b>	<b>3.7</b>
System Analysis, Review and Detailed Design Specifications	10/8/08	11/20/08	1.4
Customizations developed and delivered for testing	11/21/08	1/9/09	1.6
Testing and training	12/23/08	1/21/09	0.9
Customer acceptance and production rollout	1/11/09	1/22/09	0.4
Post production monitoring and support	1/23/09	2/9//09	0.5
<b>UPS2000 Priority "C" and "D" Customizations and Conversions</b>	<b>2/2/09</b>	<b>6/15/09</b>	<b>4.3</b>
System Analysis, Review and Detailed Design Specifications	2/3/09	3/2/09	0.9
Customizations developed and delivered for testing	3/3/09	4/15/09	1.4
Testing and training	4/1/09	4/22/09	0.7
Customer acceptance and production rollout	4/17/09	4/23/09	0.2
Post production monitoring and support	4/24/09	6/15/09	1.7
<b>Closeout</b>	<b>5/26/09</b>	<b>6/15/09</b>	<b>0.6</b>
<b>PIER Report</b>	<b>12/1/09</b>	<b>12/1/09</b>	<b>0.0</b>

#### 4.6 Project Monitoring

There is no change in Project Monitoring.

#### 4.7 Project Quality

Continuous monitoring is done to ensure quality is not at risk.

#### 4.8 Change Management

The project includes Organizational Change Management.

#### 4.9 Authorization Required

No additional funding is required.



## **5.0 Updated Risk Management Plan**

### **5.1 Risk Management Worksheet**

Risk Management Worksheet has been developed and incorporated into the Risk Management process.

#### **5.1.1 Assessment**

Included in Risk Management Plan.

#### **5.1.2 Risk Identification**

Included in Risk Management Plan.

#### **5.1.3 Risk Analysis and Quantification**

Included in Risk Management Plan.

#### **5.1.4 Risk Prioritization**

Included in Risk Management Plan.

#### **5.1.5 Risk Response**

Included in Risk Management Plan.

#### **5.1.6 Risk Avoidance**

Included in Risk Management Plan.

#### **5.1.7 Risk Acceptance**

Included in Risk Management Plan.

#### **5.1.8 Risk Mitigation**

Included in Risk Management Plan.

#### **5.1.9 Risk Sharing**

Included in Risk Management Plan.

## 5.2 Risk Tracking and Control

Included in Risk Management Plan.

### 5.2.1 Risk Tracking

Included in Risk Management Plan.

### 5.2.2 Risk Control

Included in Risk Management Plan.

## 6.0 UPDATED ECONOMIC ANALYSIS WORKSHEETS (EAWS)

See Economic Analysis Worksheets, Attachment B. Also for reference, see Attachment C for Economic Analysis Worksheets from the last approved SPR and Attachment D for cost difference detail.

## IT Project Summary Package – Section B: Project Contacts

1.	Submittal Date	November 6, 2008
----	----------------	------------------

2.	Type of Document	FSR	SPR	PSP Only	Other:
	Project Number	0840-73	X		

3.	Project Title	Unclaimed Property System Replacement	Estimated Project Dates
	Project Acronym	UPSR	Start End
			11/16/06 6/15/09

	Submitting Department	Office of the State Controller
4.	Reporting Agency	N/A

5.	Project Objectives
	<b>Achieve overall UCP business objectives, including:</b>
	✓ The effective collection and management of unclaimed property, and the return of that property to its rightful owner
	✓ The delivery of good customer service to all SCO stakeholders
	✓ The elimination of fragmented processes and systems that hamper efficiency in business operations
	1. Improve compliance with mandated processing timeframes
	2. Improve efficiency of program operating costs
	3. Improve customer service
	4. Implement controls that reduce errors and prevent unauthorized activity
	5. Eliminate reliance upon paper documents as the only source for critical business information

6.	Major Milestones	Est Complete Date
	Project Start	11/15/06
	Work Plan Approval	2/15/07
	Detailed Gap Analysis	5/16/08
	Customization Complete (Phase 4)	6/30/08
	UPS2000 critical core functions in production (Phase 4)	7/15/08
	Customization Complete (Phase 5)	4/15/09
	Remaining functions of UPS2000 in production	4/23/09
	Conversion Complete	4/15/09
	Post production monitoring and fixes	6/15/09
	Post installation support	6/15/09
	Closeout project activities	6/15/09
	PIER	12/1/09

## Special Project Report

### Unclaimed Property System Replacement Project

## State Controller's Office

Key Deliverables		Delivered by phase
System Design Documentation		
Test Plan for UPS2000 (remaining functions)		9/30/08
Remaining system components in production		4/22/09
Final System Documentation		6/15/09
Data Conversion Report (final)		6/15/09
PIER Report		12/1/09

#### 7. Proposed Solution

The proposed solution is to implement a new Unclaimed Property System that will replace the multiple existing UCP systems in use today. The scope of the project includes the procurement of ACS Wagers' UPS2000, a commercial off-the-shelf (COTS) solution. The core functionality and customizations will fulfill the Unclaimed Property Division's business requirements, including related legislative mandates. The proposed solution was amended to include the additional scope/system functionality required for compliance with the federal court preliminary injunction and Senate Bill 86.

## State Controller's Office

Project #	0840-73
Doc. Type	SPR

Direct Contacts									
	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail	
<b>Doc. prepared by</b>	Darlene	Silva	916	464-6233	-	916	464-6222	dsilva@sco.ca.gov	
<b>Primary contact</b>	Darlene	Silva	916	464-6233	-	916	464-6222	dsilva@sco.ca.gov	
<b>Project Manager</b>	Darlene	Silva	916	464-6233	-	916	464-6222	dsilva@sco.ca.gov	

# Special Project Report

Unclaimed Property System Replacement Project

## State Controller's Office

### IT Project Summary Package – Section C: Project Relevance to State and/or Departmental Plans

1.	What is the date of your current Operational Recovery Plan (ORP)?	Date	04/2007	Project #	0840-73
2.	What is the date of your current Agency Information Management Strategy (AIMS)?	Date	2007	Doc. Type	SPR
3.	For the proposed project, provide the page reference in your current AIMS and/or strategic business plan.	Doc.	AIMS		
		Page #	64		
4.	Is the project reportable to control agencies?			Yes	No
	If YES, CHECK all that apply:			X	
	X a) The project involves a budget action.				
	b) A new system development or acquisition that is specifically required by legislative mandate or is subject to special legislative review as specified in budget control language or other legislation.				
	X c) The estimated total development and acquisition cost exceeds the departmental cost threshold and the project does not meet the criteria of a desktop and mobile computing commodity expenditure (see SAM 4989 – 4989.3).				
	d) The project meets a condition previously imposed by Finance.				

# Special Project Report

Unclaimed Property System Replacement Project

## State Controller's Office

### IT Project Summary Package – Section D: Budget Information

Project #	0840-73
Doc. Type	SPR

Budget Augmentation Required?			If YES, indicate fiscal year(s) and associated amount:										Doc. Type
	No	Yes	FY	2006-2007	FY	2007 - 2008	FY	2008-2009	FY	2009-2010	FY	2010-2011	
		X											
				\$523,752		\$2,482,784							

Note: Some vendor costs, which were encumbered in FY 06/07 and 07/08, will be expended in 07/08 and 08/09. The figures below reflect the actual years that those amounts are expended.

### PROJECT COSTS

1	Fiscal Year	2006-2007	2007 - 2008	2008-2009	2009-2010	2010-2011	TOTAL
2.	One-Time Cost	\$784,433	\$1,733,341	\$2,084,833			\$4,602,607
3.	Continuing Costs			\$657,097	\$840,690		\$1,497,787
4.	TOTAL PROJECT BUDGET	\$784,433	\$1,733,341	\$2,741,930	\$840,690		\$6,100,394

### SOURCES OF FUNDING

5.	General Fund	\$523,752	\$1,320,856	\$1,161,928			\$3,006,536
6.	Redirection	\$260,681	\$412,485	\$1,580,002	\$840,690		3,093,858
7.	Reimbursements						
8.	Federal Funds						
9.	Special Funds						
10.	Grant Funds						
11.	Other Funds						
12.	PROJECT BUDGET	\$784,433	\$1,733,341	\$2,741,930	\$840,690		\$6,100,394

### PROJECT FINANCIAL BENEFITS

13.	* Cost Savings/Avoidances			\$261,000	\$484,000	\$624,700	\$1,369,700
14.	Revenue Increase						

Note: The SCO's budget has already been reduced by \$261,000 for the savings above.

# Special Project Report

Unclaimed Property System Replacement Project

## State Controller's Office

### IT Project Summary Package – Section E: Vendor Project Budget

Vendor Cost for FSR Development (if applicable)	N/A
Vendor Name	

Project #	0840-73
Doc. Type	SPR

#### VENDOR PROJECT BUDGET

1.	Fiscal Year	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	TOTAL
2.	Primary Vendor Budget	\$109,312	\$454,636	\$1,146,552			\$1,710,500
3.	Independent Oversight Budget						
4.	IV&V Budget		\$4,160	\$192,901			\$197,601
5.	Other Budget		\$10,000				\$10,000
6.	TOTAL VENDOR BUDGET	\$109,312	\$468,796	\$1,339,453			\$1,917,561

----- (Applies to SPR only) -----

#### PRIMARY VENDOR HISTORY SPECIFIC TO THIS PROJECT

7.	Primary Vendor	ACS Wagers
8.	Contract Start Date	11/15/06
9.	Contract End Date (projected)	7/15/09
10.	Amount	\$1,710,500



# Special Project Report

Unclaimed Property System Replacement Project

## State Controller's Office

### PRIMARY VENDOR CONTACTS

Vendor	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail
ACS Wagers	Ken	Wagers	303	413-9450		303	413-0442	ken@wagers.net
Informatix Inc (IV&V)	Michele	Blanc	916	830-1692		916	830-1403	Michele.blanc@informatix inc.com

### IT Project Summary Package – Section F: Risk Assessment Information

#### RISK ASSESSMENT

Project #	0840-73
Doc. Type	SPR

	Yes	No
Has a Risk Management Plan been developed for this project?	X	

#### General Comment(s)

This SPR does not result in a need for additional funding. The additional costs will be covered through a redirection of one-time and continuing savings.

## Unclaimed Property System Replacement (UPSR) Project - SPR #3

### Proposed Alternative: Implement ACS Wagers at Department of Technology Services Data Center

Department: Office of the State Com All Costs Should be shown in whole (unrounded) dollars.

Project: Unclaimed Property System	FY 06/07		FY 07/08		FY 08/09		FY 09/10		Total	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>One-Time IT Project Costs</b>										
Staff (Salaries & Benefits)	5.9	490,437	11.4	916,537	7.1	611,195			24.4	2,018,169
Hardware Purchase		80,830		60,975		1,397				143,202
Software Purchase/License		23,591		33,242		427,712				484,545
Telecommunications		0		345		0				345
Contract Services:		0		0		0				0
Software Customization		109,312		454,636		781,551				1,345,499
Project Management		0		0		0				0
Project Oversight		0		0		0				0
IV&V Services		0		4,160		192,901				197,061
Other Contract Services		0		10,000		0				10,000
TOTAL Contract Services		109,312		468,796		974,452				1,552,560
Data Center Services		26,570		112,706		0				139,276
Agency Facilities		0		32,000		0				32,000
Other		53,693		108,740		70,077				232,510
<b>Total One-time IT Costs</b>	<b>5.9</b>	<b>784,433</b>	<b>11.4</b>	<b>1,733,341</b>	<b>7.1</b>	<b>2,084,833</b>	<b>0.0</b>	<b>0</b>	<b>24.4</b>	<b>4,602,607</b>
<b>Continuing IT Project Costs</b>										
Staff (Salaries & Benefits)					5.6	490,204	5.2	465,390	10.8	955,594
Hardware Lease/Maintenance						7,116		7,116		14,232
Software Maintenance/Licenses						79,920		283,431		363,351
Telecommunications						0		0		0
Contract Services						0		0		0
Data Center Services						26,570		26,570		53,140
Agency Facilities						0		0		0
Other						53,287		58,183		111,470
<b>Total Continuing IT Costs</b>	<b>0.0</b>	<b>-</b>	<b>0.0</b>	<b>-</b>	<b>5.6</b>	<b>657,097</b>	<b>5.2</b>	<b>840,690</b>	<b>10.8</b>	<b>1,497,787</b>
<b>Total Project Costs</b>	<b>5.9</b>	<b>784,433</b>	<b>11.4</b>	<b>1,733,341</b>	<b>12.7</b>	<b>2,741,930</b>	<b>5.2</b>	<b>840,690</b>	<b>35.2</b>	<b>6,100,394</b>
<b>Continuing Existing Costs</b>										
Information Technology Staff	6.0	491,155	8.0	699,934	1.0	224,999	1.0	98,313	16.0	1,514,401
Other IT Costs		505,414		535,399		270,968		225,833		1,537,614
<b>Total Cont. Existing IT Costs</b>	<b>6.0</b>	<b>996,569</b>	<b>8.0</b>	<b>1,235,333</b>	<b>1.0</b>	<b>495,967</b>	<b>1.0</b>	<b>324,146</b>	<b>16.0</b>	<b>3,052,015</b>
Program Staff	166.9	10,565,335	247.2	15,663,368	240.7	15,211,126	245.6	15,666,690	900.4	57,106,519
Other Program Costs		2,194,625		4,895,366		3,096,897		4,490,683		14,677,571
<b>Total Cont. Existing Prog. Costs</b>	<b>166.9</b>	<b>12,759,960</b>	<b>247.2</b>	<b>20,558,734</b>	<b>240.7</b>	<b>18,308,023</b>	<b>245.6</b>	<b>20,157,373</b>	<b>900.4</b>	<b>71,784,090</b>
<b>Total Continuing Existing Costs</b>	<b>172.9</b>	<b>13,756,529</b>	<b>255.2</b>	<b>21,794,067</b>	<b>241.7</b>	<b>18,803,990</b>	<b>246.6</b>	<b>20,481,519</b>	<b>916.4</b>	<b>74,836,105</b>
<b>TOTAL ALTERNATIVE COSTS</b>	<b>178.8</b>	<b>14,540,962</b>	<b>266.6</b>	<b>23,527,408</b>	<b>254.4</b>	<b>21,545,920</b>	<b>251.8</b>	<b>21,322,209</b>	<b>951.6</b>	<b>80,936,499</b>
INCREASED REVENUES										

EXISTING SYSTEM/BASELINE COST WORKSHEET

All costs to be shown in whole (unrounded) dollars.

Department: Office of the State Controller

Project: Unclaimed Property System

		FY 06/07		FY 07/08		FY 08/09		FY 09/10		TOTAL	
		PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>Continuing Information</b>											
<b>Technology Costs</b>											
Staff (salaries & benefits)	7.3	637,635	10.3	936,274	10.3	936,274	10.3	936,274	38.2	3,446,457	0
Hardware Lease/Maintenance		0		0		0		0		0	0
Software Maintenance/Licenses		0		0		0		0		0	0
Contract Services		0		0		0		0		0	0
Data Center Services		426,514		426,514		426,514		426,514		1,706,056	0
Agency Facilities		0		0		0		0		0	0
Other		95,995		138,895		138,895		138,895		512,680	0
<b>Total IT Costs</b>	<b>7.3</b>	<b>1,160,144</b>	<b>10.3</b>	<b>1,501,683</b>	<b>10.3</b>	<b>1,501,683</b>	<b>10.3</b>	<b>1,501,683</b>	<b>38.2</b>	<b>5,665,193</b>	
<b>Continuing Program Costs:</b>											
Staff	168.0	10,610,922	248.9	15,787,626	247.3	15,751,249	247.3	15,751,249	911.5	57,901,046	
Other		2,246,145		4,917,244		4,553,988		4,553,988		16,271,365	
<b>Total Program Costs</b>	<b>168.0</b>	<b>12,857,067</b>	<b>248.9</b>	<b>20,704,870</b>	<b>247.3</b>	<b>20,305,237</b>	<b>247.3</b>	<b>20,305,237</b>	<b>911.5</b>	<b>74,172,411</b>	
<b>TOTAL EXISTING SYSTEM COSTS</b>	<b>175.3</b>	<b>14,017,211</b>	<b>259.2</b>	<b>22,206,553</b>	<b>257.6</b>	<b>21,806,920</b>	<b>257.6</b>	<b>21,806,920</b>	<b>949.7</b>	<b>79,837,604</b>	

Date Completed: 11/5/08

# ECONOMIC ANALYSIS SUMMARY

Department: Office of the State Controller  
Project: Unclaimed Property System

All costs to be shown in whole (unrounded) dollars.

	FY 2006/07		FY 2007/08		FY 2008/09		FY 2009/10		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>EXISTING SYSTEM</b>										
Total IT Costs	7.3	1,160,144	10.3	1,501,683	10.3	1,501,683	10.3	1,501,683	38.2	5,665,193
Total Program Costs	168.0	12,857,067	248.9	20,704,870	247.3	20,305,237	247.3	20,305,237	911.5	74,172,411
Total Existing System Costs	175.3	14,017,211	259.2	22,206,553	257.6	21,806,920	257.6	21,806,920	949.7	79,837,604

Implement ACS Wagers at Department of Technology Services Data Center										
	FY 2006/07		FY 2007/08		FY 2008/09		FY 2009/10		TOTAL	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>PROPOSED ALTERNATIVE</b>										
Total Project Costs	5.9	784,433	11.4	1,733,341	12.7	2,741,930	5.2	840,690	35.2	6,100,394
Total Cont. Exist. Costs	172.9	13,756,529	255.2	21,794,067	241.7	18,803,990	246.6	20,481,519	916.4	74,836,105
Total Alternative Costs	178.8	14,540,962	266.6	23,527,408	254.4	21,545,920	251.8	21,322,209	951.6	80,936,499
COST SAVINGS/AVOIDANCES	(3.5)	(523,751)	(7.4)	(1,320,855)	3.2	261,000	5.8	484,711	(1.9)	(1,098,895)
Increased Revenues		0		0		0		0		0
Net (Cost) or Benefit	(3.5)	(523,751)	(7.4)	(1,320,855)	3.2	261,000	5.8	484,711	(1.9)	(1,098,895)
Cum. Net (Cost) or Benefit	(3.5)	(523,751)	(10.9)	(1,844,606)	(7.7)	(1,583,606)	(1.9)	(1,098,895)		

# PROJECT FUNDING PLAN

Department: Office of the State Controller  
Project: Unclaimed Property System

All Costs to be in whole (unrounded) dollars

	FY 06/07		FY 07/08		FY 08/09		FY 09/10		TOTALS	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>TOTAL PROJECT COSTS</b>	<b>5.9</b>	<b>784,433</b>	<b>11.4</b>	<b>1,733,341</b>	<b>12.7</b>	<b>2,741,930</b>	<b>5.2</b>	<b>840,690</b>	<b>35.2</b>	<b>6,100,394</b>
RESOURCES TO BE REDIRECTED										
Staff/Hardware & Software/Project Oversight										
Funds:										
Existing System	2.4	260,681	4.0	412,485	12.7	1,480,582	2.1	248,108	21.2	2,401,856
Other Fund Sources	0.0	0	0.0	0	0.0	99,420	3.1	592,582	3.1	692,002
<b>TOTAL REDIRECTED RESOURCES</b>	<b>2.4</b>	<b>260,681</b>	<b>4.0</b>	<b>412,485</b>	<b>12.7</b>	<b>1,580,002</b>	<b>5.2</b>	<b>840,690</b>	<b>24.3</b>	<b>3,093,858</b>
ADDITIONAL PROJECT FUNDING NEEDED										
One-Time Project Costs	3.5	523,752	7.4	1,320,856	0.0	1,161,928	0.0	0	10.9	3,006,536
Continuing Project Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	-
<b>TOTAL ADDITIONAL PROJECT FUNDS NEEDED BY FISCAL YEAR</b>	<b>3.5</b>	<b>523,752</b>	<b>7.4</b>	<b>1,320,856</b>	<b>0.0</b>	<b>1,161,928</b>	<b>0.0</b>	<b>0</b>	<b>10.9</b>	<b>3,006,536</b>
<b>TOTAL PROJECT FUNDING</b>	<b>5.9</b>	<b>784,433</b>	<b>11.4</b>	<b>1,733,341</b>	<b>12.7</b>	<b>2,741,930</b>	<b>5.2</b>	<b>840,690</b>	<b>35.2</b>	<b>6,100,394</b>
Difference: Funding - Costs	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
<b>** Total Estimated Cost Savings</b>	<b>0.0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>3.2</b>	<b>261,000</b>	<b>5.8</b>	<b>484,000</b>	<b>9.0</b>	<b>745,000</b>

\* The redirected "Other Fund Sources" consists of Data Center savings, IT savings and Program savings redirected to Continuing Project Costs.

\*\* In FY 10/11, the total estimated savings will be 8.1 PYs and \$624,700. A total of 3.2 PYs and \$261,000 of the estimated savings above has already been taken from the SCO budget.

# **ADJUSTMENTS, SAVINGS AND REVENUES WORKSHEET** (DOF Use Only)

Department: Office of the State Controller  
Project: Unclaimed Property System

Annual Project Adjustments	FY 06/07		FY 07/08		FY 08/09		FY 09/10		Net Adjustments	
	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts	PYs	Amts
<b>One-time Costs</b>										
Previous Year's Baseline	0.0	0	3.5	523,752	7.4	1,320,856	0.0	1,161,928		
(A) Annual Augmentation /(Reduction)	3.5	523,752	3.9	797,104	(7.4)	(158,928)	0.0	(1,161,928)		
(B) Total One-Time Budget Actions	3.5	523,752	7.4	1,320,856	0.0	1,161,928	0.0	0	10.9	3,006,536
<b>Continuing Costs</b>										
Previous Year's Baseline	0.0	0	0.0	0	0.0	0	0.0	0		
(C) Annual Augmentation /(Reduction)	0.0	0	0.0	0	0.0	0	0.0	0		
(D) Total Continuing Budget Actions	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
Total Annual Project Budget Augmentation /(Reduction) [A + C]	3.5	523,752	3.9	797,104	(7.4)	(158,928)	0.0	(1,161,928)	0.0	0
[A, C] Excludes Redirected Resources										
<b>Total Additional Project Funds Needed [B + D]</b>										<b>10.9 3,006,536</b>
<b>Annual Savings/Revenue Adjustments</b>										
Cost Savings	0.0	0	0.0	0	3.2	261,000	2.6	223,000		
Increased Program Revenues		0		0		0		0		